



# FEMA

## NEWS RELEASE STATE/FEDERAL DISASTER FIELD OFFICE JOINT INFORMATION CENTER



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### **GUARDING AGAINST DISASTER AID FRAUD**

EVERETT, WA-- The Federal Emergency Management Agency (FEMA) and the Washington Emergency Management Division are working to identify the small percentage of disaster assistance applicants who try to cash in on the misfortune of others.

"As of last Friday, state and federal agencies have paid out nearly \$3.5 million in grants and loans to October storm and flood disaster victims, including over \$2 million in grants for uninsured losses for individuals and homeowners," said Diane Offord, state coordinating official for the October flood disaster. "Managing a multi-million dollar disaster program always means walking a fine line between bringing speedy service to those who need it and ensuring that taxpayer dollars are not misused."

"A number of methods are used to detect fraud," said Anthony Russell, federal coordinating officer. "An automated system cross-checks information with other agencies and insurance companies to weed out duplicate applications. Field inspections are then conducted to verify losses and damages."

Making false statements to a FEMA inspector is a prosecutable offense under Title 18 of the United States Code. Potential cases of fraud or misuse are referred to the U.S. Justice Department for prosecution. Penalties for felony offenses can be severe.

People who made a mistake when reporting damage or may have misrepresented their losses have the opportunity to cancel their claim. Individuals may call the Helpline at 1-800-621-FEMA (3362) or TTY: 1-800-462-7585 (for the speech and hearing impaired) to withdraw or correct an application and prevent prosecution.

If you know anyone who has filed false damage claims or is perpetrating any other disaster-related fraud you may report the incident to the Department of Homeland Security Inspector General Fraud Hotline at 1-800-323-8603.

The U.S. Small Business Administration (SBA) is the federal government's primary source of money for the long term rebuilding of disaster damaged private property. SBA helps homeowners, renters, businesses of all sizes and private, nonprofit organizations fund repairs or rebuilding efforts, and cover the cost of replacing lost or disaster damaged personal property. These disaster loans cover uninsured or uncompensated losses and do not duplicate benefits of other agencies or organizations.

On March 1, 2003, FEMA became part of the U.S. Department of Homeland Security. FEMA's continuing mission within the new department is to lead the effort to prepare the nation for all hazards and effectively manage federal response and recovery efforts following any national incident. FEMA also initiates proactive mitigation activities, trains first responders, and manages the National Flood Insurance Program and the U.S. Fire Administration.

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**Note to Editors:** Disaster information is available on FEMA's World Wide Web at <http://www.fema.gov> or the Washington Emergency Management Division at <http://emd.wa.gov>